

## ROLL CALL

DATE 1-25-07

[illegible]



## SENATE STANDING COMMITTEE REPORT

January 25, 2007

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 68** (first reading copy -- white) **do pass**.

Signed: \_\_\_\_\_

*Vicki Cocchiarella*  
Senator Vicki Cocchiarella, Chair

- END -

Committee Vote:

Yes 9, No 1

Fiscal Note Required \_\_\_\_\_

*KJ*

171225SC.ssc



## SENATE STANDING COMMITTEE REPORT

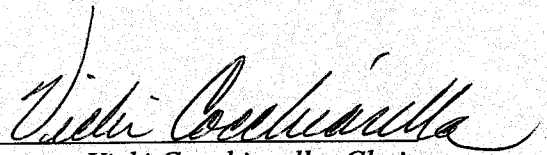
January 25, 2007

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 127** (first reading copy -- white) **do pass as amended.**

Signed:

  
Senator Vicki Cocchiarella, Chair

**And, that such amendments read:**

1. Page 3, line 11.

**Following:** "16-3-411"

**Insert:** "and 16-4-901"

2. Page 3, line 18.

**Strike:** "directly to a retailer in"

**Insert:** "into"

3. Page 3, line 19 through line 20.

**Strike:** "from a winery" on line 19 through "distributor" on line 20

**Insert:** "in violation of this code"

4. Page 10, lines 14 through 16.

**Following:** "Montana" on line 14

**Strike:** the first "and" on line 14 through "code" on line 16

**Insert:** "in violation of this code"

**Committee Vote:**

**Yes 11, No 0**

Fiscal Note Required \_\_\_\_\_



171231SC.ssc



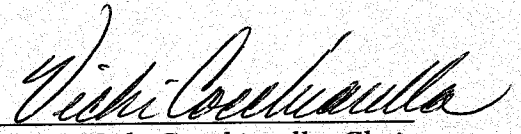
## SENATE STANDING COMMITTEE REPORT

January 25, 2007

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 214** (first reading copy -- white) do pass as amended.

Signed:   
Senator Vicki Cocchiarella, Chair

And, that such amendments read:

1. Title, line 5.

**Following:** "THAT"

**Insert:** "CERTAIN"

2. Page 5, lines 15 through 16.

**Following:** "officer" on line 15

**Strike:** "of a" through "corporation"

**Following:** "manager"

**Strike:** "of a manager-managed" on line 15 through "company" on line 16

**Insert:** "who is exempt under 39-71-401(2)(r)(iii) or (2)(r)(iv) and"

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required 

171233SC.ssc



## SENATE STANDING COMMITTEE REPORT

January 31, 2007

Page 1 of 4

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 116** (first reading copy -- white) **do pass as amended.**

Signed: \_\_\_\_\_

*Vicki Cocchiarella*  
Senator Vicki Cocchiarella, Chair

**And, that such amendments read:**

1. Page 2, line 19.

**Following:** "January"

**Strike:** "1"

**Insert:** "31"

2. Page 3, line 12.

**Following:** "telephone,"

**Insert:** "telefax,"

**Strike:** "method"

**Insert:** "connection"

3. Page 3, line 20.

**Strike:** "A"

**Insert:** "(a) Except as provided in subsection (2)(b), a"

4. Page 3.

**Following:** line 22

**Insert:** "(b) By no later than January 31, 2009, a consumer reporting agency shall honor a request for the temporary lifting of a security freeze made by telephone or telefax or through a secure electronic connection designated by the consumer reporting agency within 15 minutes of receiving the request unless one of the following circumstances applies:

(i) the consumer fails to meet the requirements of subsections (1)(a) through (1)(c); or

(ii) the consumer reporting agency's ability to remove the security freeze within 15 minutes is prevented by:

(A) a natural disaster or act of God, including fire, earthquake, or hurricane;

**Committee Vote:**

**Yes 10, No 1**

**Fiscal Note Required** \_\_\_\_\_

*KJ*

211147SC.spb

(B) unauthorized or illegal acts by a third party, including terrorism, sabotage, riot, vandalism, or a labor strike or similar labor dispute disrupting operations;

(C) operational interruption, including electrical failure, unanticipated delay in equipment or replacement part delivery, or computer hardware or software failures inhibiting response time;

(D) governmental action, including emergency orders or regulations or judicial or law enforcement action;

(E) receipt of a removal request outside of normal business hours; or

(F) maintenance of, updates to, or repair of the consumer reporting agency's systems, whether regularly scheduled or unexpected or unscheduled."

5. Page 3, line 26.

**Following:** "];"

**Insert:** "and"

6. Page 3, line 27 through line 28.

**Strike:** subsection (b) in its entirety

**Renumber:** subsequent subsection

7. Page 3, line 29.

**Strike:** "within" through "act]"

**Insert:** "by January 31, 2009,"

8. Page 3, line 30.

**Strike:** "media"

**Insert:** "connection"

9. Page 4.

**Following:** line 1

**Insert:** "(4) Only the attorney general may enforce the provisions of this section related to a failure to comply with the 15-minute requirement for the temporary lifting of a security freeze."

10. Page 4, line 24.

**Following:** "identification;"

**Insert:** "and"

11. Page 4, line 26 through line 27.

**Following:** "3)]"

**Strike:** ";" on line 26 through "applicable" on line 27

12. Page 5, line 21.

**Following:** "request"

**Insert:** "or, after January 31, 2009, within 15 minutes of receiving a request by telephone or telefax or through a secure electronic connection"

13. Page 7, line 6.

**Following:** "(1)"

**Insert:** "(a)"

14. Page 7, line 7.

**Following:** "freeze"

**Strike:** ", "

**Insert:** "or"

15. Page 7, line 8.

**Strike:** "lift"

**Insert:** "lifting of a security freeze"

**Strike:** "or"

**Insert:** "but not for"

**Following:** "removal"

**Insert:** "of a security freeze"

16. Page 7.

**Following:** line 8

**Insert:** "(b) A consumer may prepay for multiple transactions, and a consumer reporting agency shall make a record of the payment and use."

17. Page 7, line 9.

**Following:** "fee"

**Insert:** "under [section 3]"

18. Page 7, line 20.

**Following:** "any"

**Insert:** "actual"

19. Page 7, line 25.

**Strike:** "a temporary lift"

**Insert:** "the temporary lifting"

20. Page 7, line 27.

**Following:** "agency for"

**Insert:** "actual"

21. Page 8, line 1.

**Following:** "any"

**Insert: "actual"**

- END -

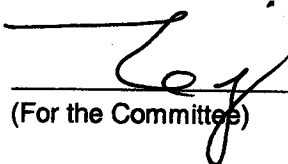


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**SENATE Secretary of the Senate COPY**

**TABLED BILL**

The **SENATE BUSINESS, LABOR, AND ECONOMIC AFFAIRS COMMITTEE** TABLED SB 230, by motion, on **Wednesday, January 31, 2007**.

  
(For the Committee)

KJ  
(Secretary of the Senate)

           / 1-31  
(Time)                      (Date)

January 31, 2007

Cj Johnson, Secretary

Phone: 44-4762

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MONTANA STATE SENATE  
2007 LEGISLATURE

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

## ROLL CALL VOTE

DATE 1-25-07 BILL NO. SB114 NUMBER 6-5MOTION: Amendment SB011601. a pm  
#15,16,17 Be Adopted

NAME	AYE	NO
SEN. JOE BALLYEAT (R)		✓
SEN. ROY BROWN (R)		✓
SEN. JOHN ESP (R)		✓
SEN. VERDELL JACKSON (R)		✓
SEN. LANE LARSON (D)	✓	
SEN. DON RYAN (D)	✓	
SEN. FRANK SMITH (D)	✓	
SEN. CAROLYN SQUIRES (D)	✓	
SEN. DONALD STEINBEISSER (R)		✓
SEN. JOE TROPILA (D)	✓	
SEN. VICKI COCCHIARELLA (D) - CHAIRWOMAN	✓	

MONTANA STATE SENATE  
2007 LEGISLATURE

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

## ROLL CALL VOTE

DATE 1-25-07 BILL NO. SB 116 NUMBER 4-7MOTION: Amendment SB011602-aprSen Cocchiarella Be Adopted - Failed

NAME	AYE	NO
SEN. JOE BALLYEAT (R)	✓	
SEN. ROY BROWN (R)		✓
SEN. JOHN ESP (R)	✓	
SEN. VERDELL JACKSON (R)	✓	
SEN. LANE LARSON (D)		✓
SEN. DON RYAN (D)		✓
SEN. FRANK SMITH (D)		✓
SEN. CAROLYN SQUIRES (D)		✓
SEN. DONALD STEINBEISSER (R)	✓	
SEN. JOE TROPILA (D)		✓
SEN. VICKI COCCHIARELLA (D) - CHAIRWOMAN		✓

MONTANA STATE SENATE  
2007 LEGISLATURE

## BUSINESS, LABOR AND ECONOMIC AFFAIRS

## ROLL CALL VOTE

DATE 1-25-07 BILL NO. SB 116 NUMBER 6-5MOTION: Amendment SB 011603 - a PM Conceptual  
Sen. Esp Be Adopted

NAME	AYE	NO
SEN. JOE BALLYEAT (R)	✓	
SEN. ROY BROWN (R)	✓	
SEN. JOHN ESP (R)	✓	
SEN. VERDELL JACKSON (R)	✓	
SEN. LANE LARSON (D)		✓
SEN. DON RYAN (D)	✓	
SEN. FRANK SMITH (D)		✓
SEN. CAROLYN SQUIRES (D)		✓
SEN. DONALD STEINBEISSER (R)	✓	
SEN. JOE TROPILA (D)		✓
SEN. VICKI COCCHIARELLA (D) - CHAIRWOMAN		✓

## SENATE PROXY FORM

According to Senate Rule 30-70 (13) (f), a committee member may vote by proxy using a standard form.

### PROXY VOTE

I, the undersigned, hereby authorize Senator LANE L. LARSON

to vote my proxy on any issue before the Senate \_\_\_\_\_

Business \_\_\_\_\_ Committee

held on JAN 25 \_\_\_\_\_, 2007.

Don Ryan

SENATOR

STATE OF MONTANA

## SENATE PROXY FORM

According to Senate Rule 30-70 ( 13) ( f ) , a committee member may vote by proxy using a standard form.

### PROXY VOTE

I, the undersigned, hereby authorize Senator

Verdell Jackson

to vote my proxy on any issue before the Senate

Business, Labor &

Economic affairs

Committee

held on

1/25, 2007.

SB011601. a pm - Epe Segregation - NO (pased 5-6)

SB011601. a pm - Total amercement - Yes

SB011602. a pm - Yes

SB011603. a pm - Yes  
#1, #2 & #3

SENATOR

STATE OF MONTANA

# VISITOR REGISTER

DATE 1-25-07

**BILLS BEING HEARD TODAY** SB 230 258

[illegible]

**PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY**



OUR FILE WO44-01

January 24, 2007

Hon. John Bohlinger  
Lt. Governor of the State of Montana  
Montana State Capitol Bldg.  
P.O. Box 200801  
Helena, MT 59620-0801

*Re: Workers' Compensation Study Project  
Department of Labor and Industry*

Dear Lt. Governor Bohlinger:

My firm represents injured workers throughout Montana and actively participated in meetings you chair with respect to the study of workers' compensation premium costs in Montana. The purposes of the study were to compare workers' compensation premiums in Montana with premiums paid in other states, to identify the "cost drivers" in Montana's workers' compensation premium base, and to compare our system with other states. I attended the two-day conference "Understanding National and State Issues in Workers' Compensation 2007" on January 10-11, 2007. As the title of the conference implies, there was to be a discussion of "issues" in workers' comp.

Indeed, there was discussion of one perspective of the issues, that being the financial interests of insurance companies and their customers who are the employers. However, there was no discussion of the human and social issues, particularly those from the injured workers' perspective. There was no discussion of the profit and overhead of the insurers, despite such costs being the largest element of the workers compensation premium dollars. (See attached graph) By my count, there were approximately 10 attendees at the conference representing injured workers; whereas, more than 300 represented government and business interests. I doubt any injured workers attended at the conference.

The speakers were impressive. They were armed with statistics upon statistics. The conference started with Prof. Duncan Ballyntine to whom the State of Montana paid a sum of money for his survey. How much was Prof. Ballyntine paid? How much internal cost of Department of Labor and Industry (DLI) has been allocated to the study project thus far?

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LINNELL,  
NEWHALL,  
MARTIN &  
SCHULKE,  
P.C.

---

*Norman L. Newhall*  
NBTA Civil Trial Specialist

*Richard J. Martin*

*J. Kim Schulke*

*Stacy Tempel-St. John*

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*Office Manager:*

*Tammy Turner*

*Paralegal Staff:*

*Dan Bennett*

*Jennifer Hepfner*

*Angie Rolando*

*Beverly Orth Geoghegan*

*Lana Hilton*

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I have repeatedly relayed to you, Prof. Ballyntine and the DLI, that to draw valid conclusions and to prepare a fair, accurate, and comprehensive report, it is imperative that the study gathers the information necessary to address *all* cost components of the workers' compensation system, including insurance company profit and overhead. I mentioned that the Montana State Fund retained 51% of its premiums in 2005, while the private sector retained only 26% of their premiums for overhead and profit. (See Montana Workers' Compensation Annual Report Fiscal year 2005, pp. 9 and 27) This demonstrates a vast difference in premium retention and shows the importance of understanding the effect of insurer overhead and profit on premiums.

During Prof. Ballyntine's yearlong preparation, I again voiced to him, to you, and to the DLI employees that the perspective of the injured worker was not being presented. Despite these protests, Prof. Ballyntine's survey failed to address the perspective of the injured workers and glossed over the findings that were made. Although the report concludes the benefit cost to insured employers in Montana appears to be the highest (in policy year 2002) compared with 10 other states in the Montana Workers' Compensation Study Project, the report also states **Montana had the lowest Average Weekly Wage in the nation in 2004**. (WCRI Draft Report, p. 84) The Report further indicates that **Montana pays a lower maximum Permanent Partial Disability Rate (PPD) than 42 of 45 comparable states**. (WCRI Draft Report, p. 85) Compared with 12 other study states and neighboring states, **Montana's PPD maximum ranked next to the lowest in 2005**. (WCRI Draft Report, p. 85) This heightens our question as to where the premium money is going and demonstrates why it is vital that the entire picture be studied, including overhead and profit.

This data shows that the benefits to injured workers in Montana are near the lowest in the country, yet there was only one speaker who even mentioned these important finding. Erin Austin, of DLI, briefly presented statistics demonstrating the injured workers in Montana are grossly under compensated by their permanent partial disability settlements. Yet there were no speakers asked to address the ramifications of the under compensation on the injured worker, the injured worker's family or society as a whole. DLI has done next to nothing to speak for the injured worker. As a consequence, the conference ended up being a bullying ground by the financial interests of large corporations at the expense of the injured worker.

Day One of the conference was reasonably matter of fact and informative. Day Two was another story. Each speaker on Day Two had outstanding credentials and polished presentations. However, only Dr. Burton was unbiased. Interestingly, Dr. Burton posed whether there was really nothing wrong with the Montana workers' compensation system and whether the comparison states were in fact the ones that had it wrong. The remaining speakers were extremely biased against the injured workers, including Dr. Dietz, Dr. Colledge, and Dr. Benner. Their presentations were overbearing, ridiculed the injured worker, and concluded that the way to control costs is to screw down the injured worker and the medical providers for the benefit of the large financial interests. Dr. Colledge from Utah glibly showed how fun it was to bully the injured worker, which particularly offended me.

January 24, 2007

I previously protested that the timing of this conference during the legislative session was particularly unfair. There were legislators in attendance who have now been left with a biased presentation of the "issues" in workers' compensation.

Therefore, I request an equal amount of money be spent by the DLI to develop statistics and programs from the injured workers' perspective; that a similar two-day conference with 12 speakers present an injured worker's perspective; and that the DLI undertake affirmative action to invite injured workers, legislators, professional humanities and social scholars to fully analyze the more important issues of workers' compensation.

Because my prior requests have been ignored by you and the DLI, I am proceeding to involve the media in this issue. Business interests are steamrolling the working people of Montana. I would expect that our government in Montana would be more evenhanded. Injured workers are a constitutionally protected class (Article II, § 4 of the Montana Constitution protects people's social conditions from being a basis for discrimination). DLI's statistics show that Montana is a servant class society with almost 50% of workplace injuries involving the service industry. The middle class has already diminished in Montana, and the trend, if we're looking for trends, may be more of the same at a higher volume. Perhaps Montana should be structuring its system after Hawaii, which is the only state that has been studied that has a comparable servant industry.

The Montana Department of Labor and Industry disregarded the human element in workers' compensation and has only looked at the financial element. Ultimately, workers' compensation requires looking at the human element because the injured workers give up so much in the workers' compensation system.

Sincerely,



Richard J. Martin  
rmartin@lnms.net  
(406) 454-5803

RJM/sfx

cc: Governor Brian A. Schweitzer  
Anne Wolfinger  
Diana Ferriter  
Keith Messmer  
Montana Trial Lawyers' Association  
Montana Senate Business and Labor Committee  
Montana House Business and Labor Committee  
Great Falls Tribune  
The Missoulian

Lt. Governor John Bohlinger

Page 4

January 24, 2007

Butte Standard

Bozeman Chronicle

Billings Gazette

Helena Independent Record

Labor-Management Advisory Council on Workers' Compensation:

Jerry Keck

Doug Buman

Jacquie Helt

Dan Lee

Don Judge

Jason Miller

Bill Dahlgren

Annette Hoffman

Riley Johnson

Connie Welsh

Bob Worthington

**ALLOCATION OF STATE FUND WORK COMP  
EXPENDITURES FOR 2005  
TOTAL PREMIUMS \$206,425,227**

